

907 KAR 3:060. Ambulance provider assessment program.

RELATES TO: KRS 45.229, 142.301, 142.318, 142.343, 142.359, 194A.030(2), 205.5601, 205.5602, 205.5603, 42 C.F.R. 413, 42 U.S.C. 1396a

STATUTORY AUTHORITY: KRS 194A.050(1), 205.520(3), 205.5601, 205.5602(2), 205.5603

NECESSITY, FUNCTION, AND CONFORMITY: The Cabinet for Health and Family Services, Department for Medicaid Services has responsibility to administer the Medicaid Program. KRS 205.520(3) authorizes the cabinet, by administrative regulation, to comply with a requirement that may be imposed, or opportunity presented, by federal law to qualify for federal funds. KRS 205.5602(2) requires the department to promulgate an administrative regulation to implement the Ambulance Provider Assessment Program, as established pursuant to KRS 205.5601 and 205.5603. This administrative regulation establishes the requirements for implementing the Ambulance Provider Assessment Program for ground ambulance providers.

Section 1. Definitions. (1) "Assessment" is defined by KRS 205.5602(1)(b).

(2) "Department" is defined by KRS 205.5602(1)(e).

(3) "Federal financial participation" is defined by 42 C.F.R. 400.203.

(4) "Ground ambulance provider" is defined by KRS 205.5602(1)(a).

(5) "Medicaid" is defined by KRS 142.301(14).

(6) "MMIS" means the Medicaid Management Information System or its successor program.

(7) "Program year" means the calendar year during which supplemental payments and tax assessments are made.

Section 2. Ambulance Provider Assessment Program. (1) Prior to the program year, the department shall calculate for eligible ground ambulance providers an interim uniform add-on amount for:

(a) Emergent transports that the ground ambulance provider is eligible to receive as a supplemental payment for the program year for Medicaid fee-for-service transports; and

(b) Non-emergent transports that the ground ambulance provider is eligible to receive as a supplemental payment for the program year for Medicaid managed care transports.

(2) On an annual basis, the department shall calculate a lump sum periodic, of at least once per quarter, interim supplemental payment for each eligible ground ambulance provider by:

(a) Utilizing the uniform add-on amounts referenced in subsection (1)(a) and (1)(b) of this section;

(b) Utilizing MMIS fee-for-service data, MMIS managed care encounter data, and ground ambulance survey data to calculate the transport volume; and

(c) Reducing the payment volume by a five (5) percent reserve in order to avoid overpayment to ambulance providers.

(3) At least once per quarter in a program year, the department shall make a Medicaid:

(a) Fee-for-service interim payment to each qualifying ground ambulance provider in accordance with the methodology established by KRS 205.5602; and

(b) Managed care interim payment to each qualifying ground ambulance provider in accordance with the methodology established by KRS 205.5602.

(4) Payment of the Medicaid managed care interim payment shall be made at least once per quarter by distribution to each Medicaid managed care organization through a supplemental capitation payment.

(5) At least once per quarter, the department shall submit to each Medicaid managed care organization a listing of the Medicaid managed care supplemental payments that the Medicaid

managed care organization shall make to each eligible ground ambulance providers.

(6) Each Medicaid managed care organization shall remit to each ground ambulance provider, as directed by the department, the Medicaid managed care supplemental payment within ten (10) business days of receipt of the supplemental payment.

(7) On an annual basis, the department shall calculate the monthly tax assessment for each ground ambulance provider in accordance with KRS 142.318 and KRS 205.5602.

(8) If a ground ambulance provider tax assessment is not received in a timely manner, the requirements of this subsection shall be met.

(a) The department may deny or withhold future supplemental payments until the assessment is submitted.

(b) The department shall refer a provider to the Kentucky Board of Emergency Medical Services (KBEMS) for potential action related to licensure.

(c) Additional penalties and interest may be assessed in accordance with KRS 142.343 and KRS 142.359.

Section 3. Annual Reconciliation. (1) On an annual basis following the program year, the department shall make final reconciled payments to ground ambulance providers based on:

(a) A review of the interim emergent and non-emergent transport add-ons from Section 2(1)(a) and (b) of this administrative regulation;

(b) Any interim add-ons that may be adjusted to account for differences between:

1. Expected utilization known at the time of the interim add-ons; and

2. Actual utilization following the program year; and

(c) Final add-ons that shall be applied to actual transport utilization, based on MMIS data, to determine the final supplemental payment amount owed to each provider.

(2) Interim payments shall be subtracted from the final supplemental payment owed.

(a) A positive balance shall be paid to the provider.

(b) A negative balance shall be paid to the department.

(3) When a survey is not received, the department may use a statewide average of revenue per transport multiplied by provider transport count data, collected by KBEMS, as a proxy for calculating taxable revenues for the following program year.

Section 4. Reporting Requirements. (1) By April 1 of each program year, a ground ambulance provider shall submit a completed revenue survey. An extension may be granted on a temporary and case-by-case basis, not to exceed thirty (30) days, following a written request detailing the exigent circumstances that prevented timely filing of the completed revenue survey.

(2) If a complete revenue survey is not received in a timely manner the department may deny or withhold future supplemental payments until a complete survey is submitted.

(3) A ground ambulance provider, licensed in Kentucky, operating outside of the state of Kentucky shall report only revenues for transports originating in Kentucky on the revenue survey.

Section 5. Access to Supporting Records. Pursuant to 907 KAR 1:672, Section 2(6)(b), a ground ambulance provider shall maintain and make available, upon request of the department or any other auditing or investigating entity, any records and data necessary to justify and document:

(1) Revenue survey amounts, submitted in accordance with Section 4, of this administrative regulation;

(2) Resolution of a supplemental payment that the ground ambulance provider suspects is

in error; or

(3) Quality metrics necessary for program reporting to the Centers for Medicare and Medicaid Services.

Section 6. Appeal Rights. An appeal of a department decision regarding final reconciled payments shall be in accordance with 907 KAR 1:671.

Section 7. Federal Approval and Federal Financial Participation. The department's coverage of services pursuant to this administrative regulation shall be contingent upon:

- (1) Receipt of federal financial participation for the coverage; and
- (2) Centers for Medicare and Medicaid Services' approval for the coverage. (47 Ky.R. 2507; eff. 10-20-2021.)